

THE IMPACT OF JOB INSECURITY ON EMPLOYEE ATTITUDES

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Abstract The purpose of the article is a theoretical and empirical analysis of the job insecurity due its influence on the employee job attitudes. Design. The design of the study was longitudinal. The empirical results were collected in 2018–2019. The empirical basis of the research is the separate structural department of the bank. The organization has realized downsizing project during the collection of empirical data. It has made possible to analyze the job satisfaction and work engagement before, during and after the downsizing project. The measures used in the present study are: 1) the “Utrecht Work Engagement Scale”; 2) “Brief Job Satisfaction Measure; 3) “The Job Insecurity Scale”. An empirical analysis of the dynamics of job attitudes in the groups differ in age and gender has found out a short-term motivating effect of the threat of job loss. The motivating effect of the threat of job loss is lost during six months. The most significance motivating effect was wound out in within the group of ordinary employees in the senior category over 45 years. The threat of dismissal also has the greatest impact on the behavior change of that part of the staff that is most susceptible to experiencing job insecurity. The employees who perceived the job insecurity are more satisfied with their work and value it more highly.

Keywords:
attitudes,
job
satisfaction,
motivation,
job insecurity.

1 Introduction

Research on workplace attitudes is one of the most common topics in organizational psychology. In addition to attitudes being shaped in many ways and affecting many aspects and processes, attitudes are among the major components of a person's business environment. Business is the activity on which the average person spends the most time in relation to all other activities and events in his life, so it is not surprising that an attitude towards work affects many aspects, such as a person's business and social relationships, their productivity, behavior at work, auto-reflection, etc.

Judge and Kammeyer-Mueller (2012) define attitude toward work as a personal evaluation of work that expresses feelings towards work, beliefs and connection to work. These three components determine a person's workplace behavior and productivity. There are three general divisions of attitudes toward work: people who love their jobs because they have positive opinions about the organization and other employees, a sense of belonging, and eagerly complete tasks and anticipate progress; people who do not like their job, and usually have a much larger and deeper range of reasons than those who love their job; and neutral people who do their jobs because they have to, and do not think about their work in terms of positive or negative. Attitudes towards work are multidimensional, that is, they have more "faces" as regards their structure. This is reflected in the fact that workers do not have one attitude towards work, as it is common to have one attitude towards an object, where a person can declare that he does not like something. Attitudes at work vary based on several factors such as salary, supervision, specialization, etc. Also, these attitudes can be broken down by structure or hierarchy, with the overall attitude towards work at the top of the structure, followed by other aspects of attitude towards work, such as job satisfaction, organizational loyalty, trust, organizational identification, job commitment, work engagement, and even more specific division of these aspects of attitude (Judge & Kammeyer-Mueller, 2012).

The structure of attitude is made up of three components: cognitive, emotional and conative (Petz, 1992). The importance of knowing these components is that they make it possible to predict, better understand and control the behavior of persons.

2 Analysis of references

2.1 Job satisfaction

Job satisfaction

Job satisfaction is one of the most complex areas that human resource managers face. It is one of the most important attitudes of employees and can be defined as an individual's cognitive, affective and evaluative reaction to their work. Job satisfaction is a general attitude of an individual towards work, but also satisfaction with work on the basis of salary, job in itself, promotion opportunities, superiors and associates (Janićijević, 2008).

In order to determine what causes satisfaction, that is, job dissatisfaction, it is important to find out the causes, ie. the factors that affect it.

Although a number of factors have been identified, they differ as follows: factors relating to organization and executive work and factors related to the personal characteristics of employees. (Bešlić i Bešlić, 2008).

Employee satisfaction is influenced by a number of factors, starting with general socio-economic circumstances, organizational climate, type and content of work, salaries, promotion opportunities, group relationships, management and leadership methods, physical working conditions, education, motivation, social background, position, abilities, personality characteristics and many others. (Pavlović, Marković, 2014).

Most authors are concerned with the topic of job satisfaction, since it assumes that a satisfied worker is a productive worker. Not only will a satisfied employee be more productive, but he will also create a better atmosphere at work and have a positive impact on the work of other colleagues.

When workers are dissatisfied with their job, they try to find a way to minimize their engagement at work - that is, they withdraw.

There are two basic forms of employee withdrawal: absenteeism and voluntary departure (fluctuation).

A large number of theoretical sources cite the following 5 reasons for absenteeism: job content and context, work values, employee characteristics, pressure to come to work regularly, ability to come to work.

Satisfied workers will be less likely to leave work. Most managers have some theory about why workers leave the organization. The reasons can range from low pay, through an inability to advance in a career, to a poor decision when choosing an organization. Others, however, are not so sure and often conduct their own informal research. This usually involves little more than a standard interview with an employee who chooses to leave the organization. These are the so-called exit interviews whose role is to help the organization identify the causes of workers' departures and other painful corporate problems. They can also help workers, because then they have the opportunity to explain their anger or disappointment in front of someone who is willing to listen to them. (Torrington, Hall, Taylor, 2002).

2.2 Job insecurity

In the modern world, the dynamic nature of the business environment is increasingly evident, influenced by numerous economic, political, social and technological factors that are subject to increasing changes, which are often difficult to predict. Competition crosses national boundaries and becomes global, companies are founded, transformed and extinguished in the short term, and changes in technology require a high degree of adaptability and constant learning, both by individuals and organizations. These changes lead to changes in almost all aspects of the business, and this is reflected in the position of employees in the companies.

Previously, one of the basic implicit assumptions of any work environment was that employees would receive relatively secure or lifelong employment and a predictable career in return for adequate performance and commitment to the organization, but the changes that have taken place over the last few decades have led to this concept become overcome. Some authors call this a breach of an old psychological contract and formulate a new psychological contract against it, which also implicitly means that an employee can expect an adequate remuneration from his employer for the work he invests during their interconnectivity, and in addition, at best, can be given

the opportunity to learn and develop, without any promise of long-term commitment and job stability (Đorđević, 2012).

Job insecurity is a global phenomenon that becomes especially relevant in the following situations:

- in periods of recession,
- in the transition process, one of the main consequences of the privatization of social assets is a large increase in the unemployment rate,
- in industries that are most influenced by changes in technology and science,
- in less developed economies that are more vulnerable to global political and economic change.

There are a number of factors that can affect employment insecurity: high unemployment rates, increased labor mobility, privatization and restructuring of work organizations, and the pursuit of the liberalization of legal regulations that should make it easier to dismiss workers, regardless of work performance of the employee, years of service, health status, etc. As a consequence of all this, the emergence of grey-area work, part-time employment, early retirement, time-limited employment contracts, a decrease in average and minimum wages is becoming increasingly apparent in our country. In this situation, it becomes logical that a large number of employees will view their workplace as insecure. Generally speaking, we can distinguish (Maslić Seršić & Trkulja, 2009): subjective job insecurity, which depends on a person's characteristics and perceptions, and objective job insecurity, which is determined by real factors from the work environment.

Considering that Maslow, in his famous hierarchy of needs, put the need for security in the second place, just behind the physiological needs, it becomes clear that this is one of the foundations without which the realization of higher order needs is impossible: psychological needs, respect and self-actualization. (Maslow, 1970). The obvious fact is that job insecurity directly causes stress, as evidenced in a number of papers that have shown that lack of job security leads to a decline in workers' psychological well-being, job dissatisfaction, anxiety, more frequent psychosomatic illnesses, higher incidence of heart disease and increased blood pressure (De Witte, 1999; Modrek & Cullen, 2013).

Job insecurity is generally defined as uncertainty about the future of employment, and we can distinguish quantitative and qualitative uncertainty. Quantitative uncertainty refers to worrying about the future of retaining the present job, while qualitative uncertainty refers to the perception of a possible loss of job quality (Maslić Seršić & Trkulja, 2009). The quality of work is related to: the amount of pay, working conditions, benefits (such as bonuses, health and retirement insurance), the amount of work to be done, the extension of working time, the reduction of days off in the year and the degradation, or going down to a lower position in the hierarchical ladder. These factors may not have the same weight as the possibility of complete job loss, but they can also have a major impact on the stress and psychological state of workers.

Certain research has shown that uncertainty about the future of employment can have more negative consequences in the longer term than just losing one's job (Lazarus & Folkman, 1984). Many studies have addressed how much job insecurity is related to individual psychological or demographic characteristics of workers. The results of these studies are generally very inconsistent, but one of the conclusions that can be drawn is that older workers (45 to 54 years) are more susceptible to the stress of precarious employment than younger ones (35 to 44 years) (Rodríguez Feijóo, 2004). This can be explained by the fact that older workers have more difficulty finding a new job and adapting to new technologies and new work environments. It has also been shown that upper middle-class workers experience less stress related to job insecurity than lower middle-class workers. It is not necessary to explain this fact in detail because it is obvious that members of the higher social classes have a greater degree of financial independence, bank accounts, real estate and other sources of funds, so losing a job will not directly endanger their basic existence, as is the case with workers from lower layers. A survey conducted by several US companies after the recession, between 2008 and 2012, showed that the level of stress was much higher in those factories where there were more layoffs than in factories where there was a lower percentage of layoffs. This shows that reducing the number of employees in a company or plant leads to a direct increase in job insecurity and stress in workers who have survived layoffs (Modrek & Cullen, 2013). On the other hand, permanent employees, in addition to the possibility of losing their jobs, were faced with a potential increase in work commitments, in order to cover the newly created reduction in the workforce, whereby this additional

workload would not have to be paid, but in contrast a reduction of salary for all employees could be implemented.

Organizational withdrawal results in short-term orientation, unhealthy competition among employees, retention of certain information, rivalry between different sectors and resistance to change, as these are perceived as something that can jeopardize one's position in the organization. These effects can have even more significant consequences at higher levels of the hierarchy, as managers begin to avoid risk, so they make only "safe" decisions, which can have extremely negative consequences in the long run, because sometimes risk taking or major business restructuring are necessary for the company's survival and competitiveness in the future (Đorđević, 2012).

It is most often recommended that companies must be honest with their employees, that they must not conceal potential labor reductions that may occur in the future, and that, through innovative HR strategies, they should foster ongoing employee education, flexibility of work tasks and organizational structures. multifunctionality and dynamic workforce. In this way, it is made possible for the organization to more easily adapt to changes that may occur in the future, and employees gain broader and flexible knowledge that, even in the event of job loss, will make them more "employable" and better prepared to cope with the labor market (Maslić Seršić & Trkulja, 2009; Brockner, 1992).

3 Research methodology

The empirical tasks of the research presented in this paper are: to work out the dynamics of the relationship between subjective feelings of job insecurity and employee attitudes, the impact of the threat of job loss on the dynamics of job satisfaction and enthusiasm for work, taking into account the age and gender characteristics of employees in certain work positions. Age has proven to be a very important factor, given that although age discrimination is prohibited by law, it is still enforced. This can be noticed in job advertisements, which often state that candidates from 35-40 are sought.

Based on the tasks and objectives of the research, the following hypotheses have been made:

H0 The subjective significance of the job in the highest degree is related to the subjective assessment of the fear of losing the job.

H1 The connection between job preoccupation and its subjective significance is inversely proportional.

H2 The risk of losing a job raises employees' energy levels.

Sample

Employees in the banking sector have been taken as an empirical research base, given the fact that projects to reduce the number of employees are continuously being implemented in this sector. A total of 267 respondents participated, 151 at the beginning of the survey, before certain changes in the number of employees, and 116 at the end of the survey, after the downsizing had been carried out. According to the age structure, the respondents were divided into three groups: 23 - 30 years, 31-45 years and 45 - 55 years.

Table 1: Characteristics of the survey sample

Family sate	Group 1				Group 2				Group 3			
	M		F		M		F		M		F	
	before	aft	bef	aft	bef	aft	bef	aft	bef	aft	bef	aft
Managers 2	4	4	3	2	11	11	10	10	10	3	2	3
Married	2	2	1	1	11	10	7	7	3	2	3	2
With children	1	1	1	1	9	10	7	7	2	1	1	1
Without children	1	1	0	0	1	1	1	1	1	1	2	1
Not married	2		2	1	0	0	3	3	0	0	0	0
With children	0	0	0	0	0	0	3	3	0	0	0	0
Without children	2	2	2	2	0	0	0	0	0	0	0	0
Employees	2	2	19	22	1	1	50	42	0	0	44	20
Married	0	0	10	13	1	1	25	19	0	0	27	12
With children	0	0	6	6	1	1	19	10	0	0	16	7
Without children	0	0	4	7	0	0	6	9	0	0	11	5
Not married	2	2	9	9	0	0	25	23	0	0	17	8
With children	0	0	1	1	0	0	24	22	0	0	5	4
Without children	2	2	8	8	0	0	1	1	0	0	12	4
TOTAL	6	6	22	24	12	12	60	52	3	2	47	22

Table 2: Validation of the research methodology

Scales	Kronbahova alfa	M	SD
Utrecht scale of work engagement (Schaufeli, Bakker, 2003)	-	-	-
Scale of <i>Energy</i>	.81	14,59	5.38
Scale of <i>Enthusiasm</i>	.83	15.87	6.07
Scale <i>involvement in work</i>	.82	22.55	6.59
Brief Job Satisfaction Measure (Judge, Locke, Durham, Kluger, 1998)	.87	15.37	4.58
Job Insecurity Scale (Pienaar, De Witte, Hellgren, Sverke, 2012)	-	-	-
Scale <i>Cognitive subjective unprotectness</i>	.67	12.35	5.39
Scale <i>Efective subjective unprotectness</i>	.73	16.03	5.46
Scale of evaluating the subjective importance of the job	.52	14.15	4.62

The research had a longitudinal character. It lasted for 12 months and covered four stages during the changes (just before the optimization project, after two, six and 12 months of implementation).

The subjective significance of the work was evaluated on the basis of the survey.

4 Research results with discussion

The relationship between job satisfaction, job preoccupation, fear of job loss, and experience is presented in Table 3. The subjective significance of work to the highest degree is related to the subjective rating of fear of job loss (0.673, $p < 0.01$). The more important a job is for a person, the more concerned the person is about losing it, and the more concerned he is (0.658, $p < 0.01$). The dynamics of the relationship between preoccupation and job satisfaction with its subjective significance is interesting. All the time of research on the selected sample job preoccupations and subjective significance of work were inversely proportional, although proportionality varied from -0.509, $p < 0.05$ to -0.397, $p < 0.01$.

The results obtained once again confirm that the preoccupation with work is a specificity not related to external motivators, but to internal, more precisely to its content. The obtained inverse proportionality of significance and preoccupation with work reflects the empirical confirmation of the unified opinion of the researcher that a large part of the employees choose the profession not for their own interest, but for financial reasons. Work for the respondents is not interesting in its content, which is a factor that threatens their mental health and satisfaction.

Table 3: Spearman's test of rank correlation coefficients of analyzed indicators

Variable	1	2	3	4	5	6	7	8	9
2	.763	x							
3	-.509	-.797	x						
4	-.397	-.683	.962	x					
5	-.448	-.714	-.936	.940	x				
6	-.478	-.772	.977	.951	.944	x			
7	-.653	-.703	.592	.516	.554	.575	x		
8	-.345		.207	.125	.185	.201	.742	x	
9		-.323							
9	.708	.825	-.704	-.611	-.630	-.695	-.818	-.475	x
10	.551	.574	-.524	-.459	-.503	-.519	-.702	-.502	.701
11	.673	.796	-.561	-.435	-.511	-.544	-.620	-.390	.654
12	.613	.808	-.655	-.566	-.618	-.646	-.657	-.404	-.679
13	.603	.771	-.657	-.582	-.638	-.659	-.662	-.376	-.702
14	.646	.801	-.617	-.501	-.574	-.605	-.640	-.390	-.676
15	.658	.862	-.650	-.550	-.617	-.633	-.656	-.369	-.684
16	.433	.665	-.677	-.636	-.685	-.679	-.528	-.279	-.539
17	.466	.656	-.687	-.655	-.681	-.691	-.536	-.260	-.551
18	.475	.691	-.706	-.667	-.694	-.712	-.565	-.286	-.582

Table 4: Statement

Variable	10	11	12	13	14	15	16	17
10	x							
11	.463	x						
12	.507	.836	x					
13	.549	.774	.884	x				
14	.499	.934	.867	.848	x			
15	.520	.866	.893	.832	.862	x		
16	.466	.604	.755	.773	.686	.720	x	
17	.472	.609	.755	.796	.693	.715	.925	x.
18	.489	.632	.794	.810	.717	.749	.943	.940

Explanation of labels in the table: name of variables - 1 job significance, 2 differences in energy level by the beginning of the research and after two months, 3 job preoccupations until the start of the number of employees optimization project, 4 job preoccupations two months after the project, 5 six months, 6 through 12 months, 7 job satisfaction until project starts, 8 satisfaction over two months, 9 satisfaction over six months, 10 satisfaction over 12 months, 11 cognitive risk assessment of job loss before project start, 12 over two months, 13 over six months, 14 in 12 months, 15 job loss risk experiences prior to the start of a staff optimization project, 16 in two months, 17 in six months, 18 in 12 months. Correlation at $p < .001$ level.

The dynamics of the relationship between subjective significance of work and job satisfaction turned out to be negative $-.657$ at significance $p < 0.01$, but gradually transitioned to positive and reached 0.551 at $p < 0.01$ until project completion. This testifies to the reevaluation of workers with working conditions, wages and other bonuses that have great subjective value, especially from the moment they are faced with the possibility of their loss. Job satisfaction is based on the rewards that the job provides, not the content of the job itself.

In accordance with the set hypothesis, it was assumed that the risk of job loss actualizes the energy of the staff. It is exactly that, compared to other parameters, that increases with the greater risk of losing a job, considering that employees perceive a given risk as a stressor-challenge. Vigorousness as a component of job preoccupation reflects as an active factor, more than other components, for example, enthusiasm.

Changes in the energy level of the respondents had the following tendency: in the employee category up to 30 years (group 1): after the start of the organizational change project, the energy intensity increased to 7.41, then gradually decreased from 3.44, over 3.32, to 0.65.

In the second group of employees (31-45 years) after the start of the project, the energy increased to 8.97, then gradually decreased to 4.39, then slightly increased to 4.62 and after 12 months was analogous to that from the beginning of the project. In the third group of employees, those over 45 years of age the energy increased to as much as 12.37, then dropped to 3.8 and then rose again to 8.58, then after 12 months became analogous to the one at the beginning of the project.

Thus, the assumption that the risk of job loss is a stressor-challenge and that it stimulates employees towards a higher level of energy at work is confirmed. It is also noticeable that prolonging exposure to this risk offsets these effects, as the risk itself gradually becomes a category of frustrating factor.

The strongest connection between energy and affective employee experience emerges in relation to the risk of job loss, ie. with insecurity in the sphere of work (0.862, $p < 0.01$). With this, the most significant level of energy is in the group of employees older than 45 years.

It was also observed by applying a t-test that men showed higher levels of job preoccupation than women, regardless of position in the organization, and that career-successful women demonstrated identical attitudes as men.

It can be noted that this risk affects employees more than executives.

5 Conclusion

The results obtained in this study are in agreement with those of other authors, who also noted the short-term positive effect of job loss risk and its destructive longitudinal effect. These results provide a positive answer to the question: long-term exposure to the employee's job insecurity leads to poor emotional attitude towards the job and lowering their work performance, as evidenced by the dynamics of the *energy* indicator.

The obtained results show that the appearance of the risk of losing a job changes employees' attitudes towards the job itself, as well as job satisfaction. In the short term, this risk acts as a motivator for raising employees' energy levels, but over time this effect is offset. The risk of losing a job leads to increasing job satisfaction,

which can be explained by the increased subjective importance of the job to employees in a situation where they may lose it.

Interestingly, the cognitive assessment of the risk of job loss prior to the start of the structured employee optimization project had significant differences among age groups. Depending on its composition, the family can be an additional resource for employees or, on the contrary, it can lead to the job being treated as a specific value and of special importance, especially if the employee is the only one earning money in the family.

Future research should include a larger sample of respondents from different industries in order to obtain more scientifically valid results.

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